

Astellas Gets Scientists Cut From Stem Cell Patent After Trial

By **Dave Simpson**

Law360 (February 6, 2021, 12:15 AM EST) -- In a post-trial opinion Friday, a Massachusetts federal judge removed two former University of Connecticut scientists from a patent for an embryonic stem cell research method, ruling that they did not make inventive contributions, handing the win to Astellas Institute for Regenerative Medicine.

U.S. District Judge Allison D. Burroughs ruled, following a November bench trial, that Ren-He Xu, who was previously the director of UConn's Stem Cell Institute, and Xiaofang Wang, a post-doc in Xu's lab, should be removed as inventors of U.S. Patent No. 9,745,551.

In March, in the same litigation, which was initiated by Astellas, the court granted the Japanese pharmaceutical company partial summary judgment, adding their scientists, Erin Kimbrel and Robert Lanza, to the patent, alongside Xu and Wang. Xu and Wang had collaborated with Kimbrel and Astellas starting in 2010, according to Friday's order.

On Friday, the judge determined that Xu and Wang's supposed contributions to the stem cell research methods described in the patent were known in the field, and by the individual scientists, prior to their collaborations.

"A co-inventor does not need to make a contribution to every claim of a patent, nor does a co-inventor need to contribute to the conception of all the limitations in a single claim," the judge said. "On the other hand, one does not qualify as a joint inventor by merely assisting the actual inventor after conception of the claimed invention."

On Friday, Burroughs also denied counterclaims from Xu and Wang, who'd sought to be added to two Astellas patents, again pointing out that their alleged contributions were previously known in the field.

According to Astellas' suit, filed in 2017, during Xu and Wang's collaboration with Kimbrell, Astellas' stem cell method protocols were shared by Kimbrell with a clear understanding that Xu and Wang would keep them confidential.

As they worked on projects together, Wang and Xu apparently began to feel as if they weren't getting "a proper return" for their collaboration with Astellas, according to Friday's decision. Xu estimated that he spent one-third of his time working on Astellas projects over a four-year period, while Wang said it was 80% of his time.

In July 2012, under their recently formed company ImStem Biotechnology Inc., Wang and Xu submitted a patent application for what would become the '551 application, which included the confidential Astellas protocols, the decision says.

They didn't include Kimbrel and Lanza on the application and also never told them they were including the protocols.

"Dr. Wang conceded that he included Astellas' protocol in his patent application and that he disclosed the patent application to UConn before ... Astellas had made its protocol public," the order said. "Dr. Wang testified that he filed the '551 patent application because he wanted a return on his and Dr. Xu's contributions to the ... collaboration that he did not think they were getting."

That patent was published in 2015, and Astellas sued thereafter.

On Friday, the judge decided that Xu and Wang don't belong on the patent, leaving just Lanza and Kimbrell, who were added by the court in March.

"To be considered joint inventors, Drs. Wang and Xu would have needed to 'do more than merely explain to the real inventors well-known concepts and/or the current state of the art,'" she said.

Counsel for Astellas declined to comment. An attorney for ImStem, Wang and Xu didn't immediately respond to a request for comment Friday.

The patents-in-suit are U.S. Patent Nos. 9,745,551, 8,961,956 and 8,962,321.

Astellas is represented by David Frazier, Michael Morin, Brenda Danek, Reba Rabenstein, Lauren Sharkey, Yi Sun and Jenny Wang of Latham & Watkins LLP.

ImStem, Wang and Xu are represented by Timothy R. Shannon, Martha C. Gaythwaite, Benjamin M. Stern and Travis K. Waller of Verrill Dana LLP.

The case is Astellas Institute for Regenerative Medicine et al. v. ImStem Biotechnology Inc. et al., case number 1:17-cv-12239, in the U.S. District Court for the District of Massachusetts.

--Additional reporting by Dani Kass. Editing by Jay Jackson Jr.

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